September 24, 2018

The Honorable Robert E. Lighthizer United States Trade Representative 600 17th Street, NW Washington, D.C. 20508

Dear Ambassador Lighthizer,

We write to highlight the importance of international trade to our state economies, and to convey the detrimental effects that uncertainty in U.S. trade policy and the imposition of retaliatory tariffs are having on our states.

We appreciate the desire to revise and seek updated, fair and equitable trade agreements. However, we strongly urge our negotiators to address these opportunities without closing markets, imposing tariffs or enacting government regulations that threaten to negatively affect our manufacturers and agricultural producers, as well as the businesses and rural communities so dependent upon their profitability. We understand the effort to improve U.S. trade policy, but in doing so, we must not choose policy vehicles that leave large numbers of our citizens worse off.

In 2017, the United States exported \$2.33 trillion of goods and services to international trading partners around the world. Twenty-seven states count Canada and Mexico, our North American Free Trade Agreement (NAFTA) partners, as the two largest export markets for their state. Other major export destinations include China, Japan, the United Kingdom, Germany, South Korea and others. Now, some of these same trading partners are among the countries imposing retaliatory tariffs on our states' manufacturing and agricultural products.

America's trade war, and the retaliatory tariffs that have arisen from it, are hurting our workers, farmers and business owners. As NAFTA negotiations continue, we urge you to ensure there remains a trilateral agreement that can benefit American consumers and businesses. Over the last few decades, North American economies have become interlinked. Supply chains cross the continent, to the benefit of all of our economies. With our closest neighbors counted among our best trading partners, it is paramount that we have a strong, committed economic relationship that reflects the 21st century economy, one that has generated enormous benefits for consumers and workers alike.

Let's pursue a trade policy that is forward looking and designed to place our workers and our economy in a position to benefit from all the changes the 21st century will bring. We cannot look backward and close off our markets. We must look forward and connect them in ways that benefit both our workers and the next generation. Effective trade policy can and does make a difference. It is our hope that the United States will reach agreements and nullify or neutralize the new tariffs and other harmful measures imposed by some of our major trading partners around the world.

Sincerely,

John W. Hickenlooper, Governor

State of Colorado

John R. Kasich, Governor

State of Ohio

¹ https://www.census.gov/foreign-trade/statistics/highlights/annual.html

² https://www.trade.gov/mas/ian/statereports/index.asp